

June 12, 2017

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: WC Docket Nos. 09-197, 10-90, and 11-42
EX PARTE PRESENTATION**

Dear Ms. Dortch:

This letter is submitted on behalf of our client, TracFone Wireless, Inc. (“TracFone”). Recently, TracFone learned of plans being developed by the Universal Service Administrative Company (“USAC”) to implement the Lifeline National Verifier ordered by the Commission to be established pursuant to the Commission’s 2016 Lifeline Modernization Order (Lifeline and Link Up Reform and Modernization, *et al.*, 31 FCC Rcd 3962 (2016)). During a May 17, 2017 Lifeline Program Update industry webinar, USAC announced certain details of its plans for reverification of Lifeline enrollment eligibility in states where the National Verifier is being implemented. TracFone is concerned that utilization of those processes will result in procedures which are inconsistent with Commission rules and will cause millions of qualified low-income households to lose their Lifeline-supported service.

During the webinar, USAC described its planned migration process for existing Lifeline customers residing in states where the National Verifier is implemented. As set forth in the webinar materials, enrolled Lifeline customers will be subject to automated eligibility checks using available eligibility databases. In situations where customers are not verified through that automated database check, the following will occur:

- USAC will ask service providers for existing eligibility documentation for customers who joined Lifeline in July 2017 or later; and
- USAC will work with service providers to obtain new proof of eligibility for customers who joined Lifeline before July 2017 (proof of eligibility must be valid in July 2017 or later).

Per the webinar materials, if USAC cannot verify a customer’s eligibility through the above methods, the customer will be de-enrolled.

These proposed procedures are especially problematic for existing Lifeline customers who were enrolled prior to July 2017. Moreover, they will produce results which are inconsistent with applicable Commission rules. Under the current rules, prior to implementation of the National Verifier, applicants for Lifeline service must either produce documentation of eligibility or have their program-based eligibility confirmed by accessing an appropriate

database, such as a state database or a health maintenance organization's database of enrolled Medicaid members. Following enrollment, Lifeline customers must re-certify annually that they remain Lifeline-eligible. The current rules do not require documentation as part of the annual re-certification process. State databases have been an important and effective means for verifying Lifeline applicants' program-based eligibility. However, state databases are not perfect. Not all available state databases contain enrollment information for all Lifeline-qualifying programs. Where a database query does not confirm a Lifeline customer's continuing eligibility, other verification methods are necessary.

To remain consistent with the current rules, TracFone proposes that during the National Verifier migration process, the Commission should direct USAC to accept customer-provided proof of eligibility documentation that was provided by Lifeline applicants to providers at the time of initial enrollment. The Commission and USAC should remain mindful of the fact that for customers enrolled prior to February 2016 providers will be unlikely to have such customer-provided documentation of eligibility available. February 2016 is when the Commission's rules requiring Lifeline providers to retain customer-provided eligibility documentation became effective. In such situations where providers have not retained customer-provided eligibility documentation, providers should be allowed to rely on the customers' most recent annual re-certification of Lifeline eligibility.

In the 2012 Lifeline Reform Order (Lifeline and Link Up Reform and Modernization, *et al.*, 27 FCC Rcd 6656 (2012)), the Commission promulgated rules requiring enrolled Lifeline consumers to re-certify annually their continuing Lifeline eligibility. However, the Commission elected not to require enrolled customers to provide annual documentation of continuing eligibility. (See 47 C.F.R. § 54.410). For USAC to impose on Lifeline providers an obligation to attempt to obtain from their current customers eligibility documentation not required of those same customers during the most recent annual re-certification process would be unfair, burdensome, and punitive to those customers to whom such documentation is not readily available. Once a Lifeline customer has re-certified his or her continuing eligibility based on the re-certification requirements which were in effect at the time of the customer's most recent re-certification, nothing further should be required during the migration process for the National Verifier. USAC should not now, nominally as part of the National Verifier migration process, impose an annual re-certification documentation requirement which goes beyond and which is facially inconsistent with what is required by the current rules.

The Commission's Lifeline initial eligibility verification and annual re-certification of eligibility requirements promulgated in a pre-National Verifier environment reflected a wise and careful balancing of the need to ensure that only qualified households receive Lifeline-supported service, on the one hand, and avoiding imposition of unduly burdensome re-certification requirements which would force many still-eligible low-income households out of the program, on the other hand. When fully implemented, the National Verifier will represent a profound advancement in ensuring that only qualified households are enrolled in Lifeline and remain enrolled in Lifeline. During the transition, USAC should not be allowed to implement the migration procedures described during its May 17, 2017 webinar. As TracFone has learned

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during the decade that it has provided Lifeline service, having consumers respond to re-certification requests is difficult and takes significant effort. Asking existing Lifeline consumers who have already certified their continuing eligibility to produce documentation will be perceived as burdensome and annoying, and in many cases, will be disregarded. Lifeline households who have already completed the annual re-certification process in accordance with existing Commission requirements should not be asked to do more and should not be de-enrolled from the program.

Pursuant to Section 1.1206(b) of the Commission's rules, this letter is being filed electronically. If there are questions, please communicate directly with undersigned counsel for TracFone.

Sincerely,



Mitchell F. Brecher

cc: Ms. Kris Monteith
Mr. Trent Harkrader
Mr. Ryan Palmer
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